



BUREAU OF RECLAMATION

Mission - The Bureau of Reclamation's mission is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

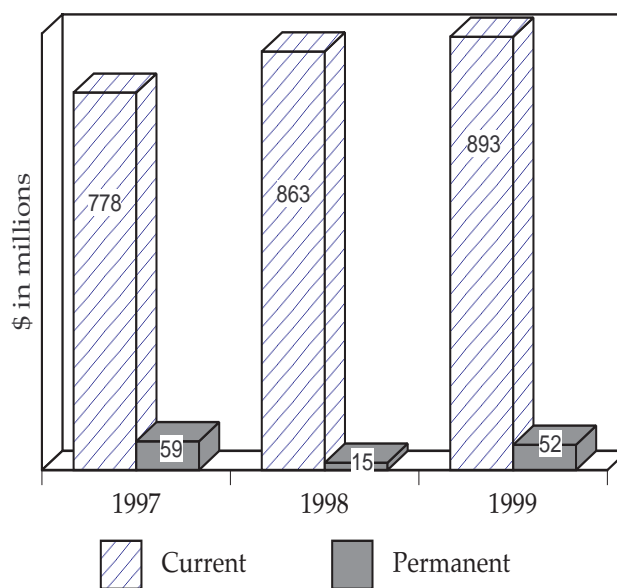
Program Overview - BOR is the largest supplier and manager of water in the 17 western States, delivering water to 31 million people for agricultural, municipal, industrial, and domestic uses. BOR is the fifth largest producer of electric power in those States, generating nearly a billion dollars in annual power revenues; and its multi-purpose projects also provide substantial flood control, recreation, and fish and wildlife benefits.

Facilities developed by BOR have contributed to sustained economic growth and an enhanced quality of life in the western States. Greater environmental awareness, increased competition for scarce water resources, and fiscal constraints, however, now require improved management of existing facilities and protection of associated natural resources. As a result, BOR is placing greater emphasis on: promoting the conservation, reclamation, and reuse of existing water supplies; protecting and restoring fish and wildlife resources; developing partnerships with its customers, States, and Tribes in an effort to find ways to bring various interests together to address multiple needs; and establishing results-oriented business practices that will provide the most effective and efficient service to customers, partners, and employees.

Budget Overview - Total budget authority for BOR in 1999 is \$945.4 million, an increase of \$67.3 million over the 1998 level. The President's Budget request for BOR's current appropriations is \$919.1 million, of which \$893.3 million is new budget authority and \$25.8 million is a transfer of unobligated balances from its Working Capital Fund. The 1999 request is also offset by discretionary receipts in the Central Valley Project Restoration Fund, resulting in a net request for discretionary budget authority of \$852.3 million, an increase of \$14.7 million over the 1998 level.

BOR's 1999 request reflects its focus on water resources management. It includes \$775.8 million in current appro-

BOR Funding



priations for BOR programs, a decrease of \$8.0 million from the 1998 level; and \$143.3 million for the California Bay-Delta Ecosystem Restoration account, which funds activities in several Federal agencies, an increase of \$58.3 million over 1998.

Water and Related Resources - The 1999 request for this account is \$665.9 million, a decrease of \$27.1 million from the 1998 enacted amount. The total request for projects and programs is \$696.0 million, but this is partially offset by an undistributed reduction of \$30.1 million in anticipation of delays in construction schedules and other planned activities.

The 1999 request provides a total of \$273.3 million for Facility Operation and Facility Maintenance and Rehabilitation, an increase of \$7.2 million from 1998. Providing adequate funding for these activities continues to be one of BOR's highest priorities, and its staff is working closely with water users and other stakeholders to ensure that available funds are used effectively. These funds are

used to allow the timely and effective delivery of project benefits; ensure the reliability and operational readiness of BOR's dams, reservoirs, power plants, and distribution systems; and identify, plan, and implement dam safety corrective actions and site security improvements. Funds are also requested in 1999 to complete sediment removal in the Colorado River near Yuma, Arizona.

The 1999 request also includes a total of \$422.7 million for Water and Energy Management and Development, Fish and Wildlife Management and Development, and Land Management and Development, a decrease of \$37.7 million from 1998. This request includes \$80.0 million for fish and wildlife and other work on California's Central Valley Project, and provides funds for moving several large projects currently under construction towards completion, including \$49.9 million for the Central Arizona Project, \$26.7 million for the Mni Wiconi Project in South Dakota, and \$20.4 million for the Garrison Diversion Unit in North Dakota. It also provides funds for a number of high priority activities that emphasize water conservation, environmental restoration, and new ways of doing business. For example, in the area of water reclamation/reuse, \$36.6 million is requested for four ongoing construction projects and two ongoing studies and for initiatives in this important field. Funds for recently revamped programs aimed at reducing salinity in the Upper Colorado River Basin and encouraging the efficient use of water are increased to \$12.3 million and \$5.2 million respectively. Funds are requested for several environmental restoration projects, including \$13.1 million for Columbia/Snake River Salmon Recovery projects and \$15.0 million for Endangered Species Recovery projects in other river basins. Included in the request is a total of \$19.4 million for planning studies that emphasize identifying ways to meet water quantity, water quality, and environmental needs through enhanced management of existing facilities and other means.

In addition to funds requested for 1999, advance appropriations totaling \$22.6 million are requested for 2000 through 2003 to fully fund completion of four ongoing construction projects.

Central Valley Project Restoration Fund - BOR's 1999 budget includes a request for \$49.4 million from the Central Valley Project Restoration Fund, which is funded by revenues from project beneficiaries. The 1999 program funds a wide variety of activities to restore fish and wildlife habitat and populations in the CVP area of California, including Anadromous Fish Restoration Plan ac-

tions focused on high priority watersheds; acquisition of water for anadromous fish and other environmental purposes; providing for long-term water deliveries to wildlife refuges; and construction of fish screens and other facilities. The 1999 request is financed in part by a proposal to collect an estimated \$41.0 million in additional mitigation and restoration charges, the full amount available under the authority in Sec. 3407(d) of the CVP Improvement Act.

California Bay-Delta Ecosystem Restoration - As in 1998, the 1999 budget includes a request for the full \$143.3 million authorized in the California Bay-Delta Environmental Enhancement Act. This increase of \$58.3 million over the 1998 enacted level reflects an increased capacity to use funds effectively as the program moves into its second year, and anticipates the availability of substantial additional State cost-sharing funds after completion of the final programmatic EIS/EIR in early 1999. Activities to be funded in 1999 include: improvements in fish screens and fish passage; restoration of habitat in floodplains and marshes and improvements in watershed management; river channel changes; improvements in instream flows, water quality and water temperature; improvements in fish management and hatchery operations; control of introduced and undesirable species; and monitoring, permit coordination, and other special support programs. The specific projects to be funded will be selected through a process administered by CALFED, a consortium of the Federal and State agencies with management and regulatory responsibilities in the Bay-Delta.

Other Accounts - The request for the Loan Program in 1999 is \$12.4 million, an increase of \$2.0 million from 1998. The request would continue funding for six loans (five in California and one in Oregon). The request for Policy and Administration, the account that finances BOR's central management functions, is \$48.0 million, an increase of \$0.4 million over 1998. Permanent appropriations available in the Colorado River Dam Fund are estimated to be \$48.0 million in 1999, and non-Federal contributions to BOR's Trust Funds are estimated to be \$12.4 million.

Government Performance and Results Act (GPRA) Implementation - The 1999 budget is presented in a new budget structure approved last year that facilitates the development of annual performance plans and other GPRA elements. An initial set of annual performance goals and indicators that support BOR's Strategic Plan has been developed, and is being submitted with the 1999 budget.

SUMMARY OF BUREAU APPROPRIATIONS
(all dollar amounts in thousands)

Comparison of 1999 Request with 1998 Enacted:

	1998 Enacted		1999 Request		Change From 1998	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Appropriations						
Water and Related Resources	2,953	693,048	2,870	665,924	-83	-27,124
Loan Program	5	10,425	5	12,425	0	+2,000
Policy and Administration	312	47,558	310	48,000	-2	+442
CVP Restoration Fund	37	32,775	37	49,447	0	+16,672
California Bay-Delta Ecosystem Restoration	4	85,000	4	143,300	0	+58,300
Working Capital Fund	2,340	0	2,357	-25,800	17	-25,800
Subtotal, Appropriations	5,651	868,806	5,583	893,296	-68	+24,490
Colorado River Dam Fund, Boulder Canyon Project (transfer of current authority to WAPA)	0	-5,592	0	0	0	+5,592
Subtotal, Adjusted Appropriations	5,651	863,214	5,583	893,296	-68	+30,082
Permanents, Trusts and Allocation Accounts						
Colorado River Dam Fund, Boulder Canyon Project	211	46,012	211	48,032	0	+2,020
Basin Funds	159	-46,140	227	-5,702	68	+40,438
Loan Program Subsidy Re-estimate	0	2,301	0	0	0	-2,301
Loan Program Liquidating Account	0	-2,879	0	-2,900	0	-21
Miscellaneous Permanents	0	280	0	280	0	0
Reclamation Trust Funds	15	15,306	15	12,434	0	-2,872
Subtotal, Permanents and Trusts	385	14,880	453	52,144	68	+37,264
TOTAL, BUREAU OF RECLAMATION	6,036	878,094	6,036	945,440	0	+67,346

* Note: For scorekeeping purposes, BOR's current budget authority is offset by discretionary receipts in the CVP Restoration Fund of \$25.6 million in 1998 and \$41.0 million in 1999.

HIGHLIGHTS OF BUDGET CHANGES
By Appropriation Activity/Subactivity

APPROPRIATION:Water and Related Resources

	<u>1997 Actual</u>	<u>1998 Enacted</u>	<u>1999 Request</u>	<u>Change from 1998 Enacted</u>
Animas-La Plata Project	8,361	6,000	3,000	-3,000
Central Arizona Project	57,740	56,442	49,908	-6,534
Central Valley Project	119,346	137,922	131,351	-6,571
Colorado River Basin Salinity Control ...	12,203	25,495	25,121	-374
Columbia Basin Project	17,101	10,338	10,614	+276
Columbia/Snake River				
Salmon Recovery	9,948	13,062	13,116	+54
Efficiency Incentives Program	1,570	3,000	5,250	+2,250
Endangered Species				
Conservation/Recovery	16,201	14,257	15,007	+750
Garrison Diversion Unit	23,611	28,875	24,114	-4,761
Lower Colorado River				
Operations Program	0	0	6,603	+6,603
Mid-Dakota Project	11,395	13,000	10,000	-3,000
Middle Rio Grande Project	9,105	11,262	10,944	-318
Mni Wiconi Project	31,817	31,325	31,344	+19
Native American Affairs	6,572	8,000	8,905	+905
Safety of Dams	66,286	81,683	68,047	-13,636
Science and Technology	6,765	8,599	10,190	+1,591
Site Security	4,900	5,000	5,000	0
Water Management/Conservation	11,143	9,235	7,551	-1,684
Water Reclamation/Reuse	37,693	49,241	36,600	-12,727
Yakima Project/Water Enhancement	13,130	18,819	18,948	+129
Yuma Area Project	19,780	15,038	22,213	+7,175
Other Projects/Programs	201,270	179,918	182,191	+2,273
Underfinancing	applied	-33,463	-30,093	+3,370
TOTAL APPROPRIATION	685,937	693,048	665,924	-27,124

Program Highlights

The 1999 request includes funds for the following projects and programs:

Animas-La Plata Project

Funds are required to support ongoing efforts to resolve issues related to the project, in accordance with the outcomes of the Romer/Schoettler Process and with the Federal Government's trust responsibilities to the Colorado Ute Tribes.

Central Arizona Project

Funding for Indian Distribution Systems would continue, as would funding for the sulfur dioxide scrubbers at the Navajo Generating Station, construction of recreation facilities at New Waddell Dam, fish and wildlife mitigation activities, and contract completion and project management activities.

Central Valley Project

Funds are requested for facility O&M and for numerous management and development efforts, including: participation in the CALFED Bay-Delta Program, the Delta Support Program, the San Joaquin Basin Action Plan, the Trinity River Restoration Program, construction of screens on the Hamilton City Pumping Plant and unscreened diversions, and improvement to refuge water supplies. Related activities will be funded by the Central Valley Project Restoration Fund and by the California Bay-Delta Ecosystem Restoration account.

Colorado River Basin Salinity Control

Funds are provided for O&M of completed Title II projects and for the basinwide program authorized by P.L. 104-20 to identify and implement cost effective salinity control options based on proposals from non-Federal interests. The Yuma Desalting Plant will be maintained in ready reserve status.

Columbia Basin Project

Work includes O&M of project facilities. Bonneville Power Administration directly funds power operation and maintenance costs.

Columbia/Snake River Salmon Recovery Project

Funding for water purchases, leases and storage would continue in response to the 1994 biological opinion. Other activities include completion of construction on the Yakima River Reregulation Reservoir.

Efficiency Incentives Program

The Federal role in meeting the water conservation objectives of the Reclamation Reform Act of 1982 is being refocused to an approach that emphasizes incentive-based assistance. This program provides Federal cost-sharing and other assistance for innovative water efficiency improvements by urban and agricultural water districts, as part of the broader Water Conservation Field Services Program.

Endangered Species Conservation/Recovery

This program provides for the development and implementation of measures for the preservation, conservation, and recovery of native and endangered, threatened, proposed and candidate species that are resident in or migratory to habitats affected by the operation of BOR projects. Ongoing efforts funded by this program involve the Upper and Lower Colorado River, the Platte River Recovery Implementation Program, and recovery measures in the Pacific Northwest.

Garrison Diversion Unit

Funds are requested for grants to the State for municipal, rural and industrial water projects, for irrigation development on the Fort Yates-Standing Rock Reservation, for work at several wildlife refuges, and for operation and maintenance of completed project facilities.

Lower Colorado River Operations Program

This new program realigns and consolidates activities that were previously funded in several programs. Funds are requested to carry out the Secretary's direct statutory responsibility to act as the water master on the lower Colorado River. Funding for implementing the reasonable and prudent alternatives and measures required by the biological opinion on BOR's lower Colorado River operations is also included in this program.

Mid-Dakota Rural Water Project

Funds are requested for grants to the project sponsor for project construction and for wetlands development.

Middle Rio Grande Project

Funds are provided for project O&M, and for the completion of the Arsenic Wellhead Treatment Demonstration program.

Mni Wiconi Project

Funds are requested for design and construction activities on the Oglala Sioux, Rosebud Sioux, Lower Brule Sioux, and West River/Lyman-Jones Rural Water Systems; and for operation and maintenance of completed facilities, as well as existing facilities on the reservations.

Native American Affairs

This program coordinates efforts to integrate Indian issues and needs into BOR policy and promote the successful application of BOR programs to Indian reservations; provides BOR support for Indian water rights negotiations and implementation of enacted settlements; and provides financial and technical assistance to Tribes in their efforts to become self-sufficient in the management and development of their water and related resources.

Safety of Dams

Funds are requested for the Safety Evaluation of Existing Dams program, for work under the Initiate Safety of Dams Corrective Action (ISCA) program, and for other dam safety activities. Corrective actions will continue on several dams, including Twin Buttes Dam, San Angelo Project (TX); Lost Creek Dam, Weber Basin Project (UT); Bradbury Dam, Cachuma Project (CA); and Horse Mesa Dam, Salt River Project (AZ).

Science and Technology

Funding is requested for development of new information and technologies that respond to and anticipate mission-related needs, and that provide for innovative management, development, and protection of water and related resources and associated values through cost-shared research and technology transfer.

Site Security

Funds are requested to continue a program of improving the security of BOR dams, hydroelectric powerplants, and buildings. Public access via State, local and project roads bring the public in close proximity to these dams and powerhouses.

Water Management/Conservation Program

Funding is provided for technical assistance in support of water management and conservation efforts by water users, and for such activities as water quality monitoring in cooperation with State and local entities, and oversight of water service contracts and entitlements.

Water Reclamation/Reuse

Funds are requested to continue several studies and Federal contributions to the Los Angeles Area Water Reclamation and Reuse Project, San Diego Area Water Reclamation Program, San Gabriel Basin Project, and the San Jose Area Water Reclamation and Reuse Program. In addition, \$7.8 million is requested to conduct feasibility studies and initiate construction on several newly authorized water reuse projects, and to establish a water recycling research program.

Yakima Project

Work includes the O&M of existing facilities, and the implementation of water conservation, fish and wildlife improvements, and other measures authorized by the Yakima River Basin Water Enhancement Act.

Yuma Area Project

Work includes the O&M of BOR facilities from Davis Dam to the southerly International Boundary with Mexico, and completion of sediment removal on the Colorado River near Yuma, Arizona.

APPROPRIATION: Loan Program

	<u>1997 Actual</u>	<u>1998 Enacted</u>	<u>1999 Request</u>	<u>Change from 1998 Enacted</u>
Loan Program	12,290	10,000	12,000	+2,000
Program Administration	425	425	425	0
TOTAL APPROPRIATION	12,715	10,425	12,425	+2,000

Program Highlights

Loan Program

Work would continue on five projects in California and one in Oregon.

APPROPRIATION:Policy and Administration

	<u>1997 Actual</u>	<u>1998 Enacted</u>	<u>1999 Request</u>	<u>Change from 1998 Enacted</u>
TOTAL APPROPRIATION	46,000	47,558	48,000	+442

Program Highlights

Policy and Administration

This appropriation funds management and administrative activities that are not chargeable to a specific project or program. These activities include: policy-level management, equal employment opportunity management, safety and health management, budget and policy formulation, information resources management, procurement, property and general services policy, public affairs activities, and organizational and management studies.

APPROPRIATION:Central Valley Project Restoration Fund

	<u>1997 Actual</u>	<u>1998 Enacted</u>	<u>1999 Request</u>	<u>Change from 1998 Enacted</u>
Habitat Restoration, Improvement & Acquisition	24,424	21,762	38,097	+16,335
Other Fish and Wildlife Restoration	12,212	11,013	11,350	+337
TOTAL APPROPRIATION	36,636	32,775	49,447	+16,672

Program Highlights

Central Valley Project Restoration Fund

Funds would provide for the protection, restoration, and enhancement of fish, wildlife, and associated habitats in the Central Valley Project area of California. Programs would be planned and carried out in cooperation with the Fish and Wildlife Service and the Central Valley Project Restoration Fund Roundtable.

APPROPRIATION:California Bay-Delta Ecosystem Restoration

	<u>1997 Actual</u>	<u>1998 Enacted</u>	<u>1999 Request</u>	<u>Change from 1998 Enacted</u>
TOTAL APPROPRIATION	0	85,000	143,300	+58,300

Program Highlights

California Bay-Delta Ecosystem Restoration

Funding is requested for the Federal share of costs of a comprehensive effort, involving Federal and State agencies and other stakeholders, to restore the Bay-Delta ecosystem. Activities to be funded in 1999 include: improvements in fish screens and fish passage; restoration of habitat in floodplains and marshes, and improvements in watershed management; river channel changes; improvements in instream flows, water quality and water temperature; improvements in fish management and hatchery operations; control of introduced and undesirable species; and monitoring, permit coordination and other special support programs.

APPROPRIATION: Working Capital Fund

	<u>1997 Actual</u>	<u>1998 Enacted</u>	<u>1999 Request</u>	<u>Change from 1998 Enacted</u>
TOTAL APPROPRIATION	0	0	-25,800	-25,800

Program Highlights**Working Capital Fund**

This revolving fund allows more efficient financing and management of central administrative services, capital equipment and facilities in support of BOR programs and work performed for others. In 1999, it is proposed that a portion of the unobligated balances in the fund be transferred for use in the Water and Related Resources account.